



Jac Travel is a leading hotel wholesaler, dealing with over 6,000 different hotels and taking many thousands of bookings each week. The resulting large volume of invoices means that a high level of financial control is crucial to maximising profitability. In addition, maintaining good relationships with these hotel suppliers is very important to ensure that they continue to provide Jac Travel with the best rates and availability.

THE CHALLENGES

- Reducing staff time on processing invoices
- Ensure suppliers understand Jac Travel payment process
- Reduce the number of invoices submitted incorrectly

BENEFITS AT A GLANCE

- Overall financial control vastly improved
- Large reduction in invoice queries
- Less correspondence and time wasting
- Improved relationships with suppliers
- Reduced risk of over paying suppliers

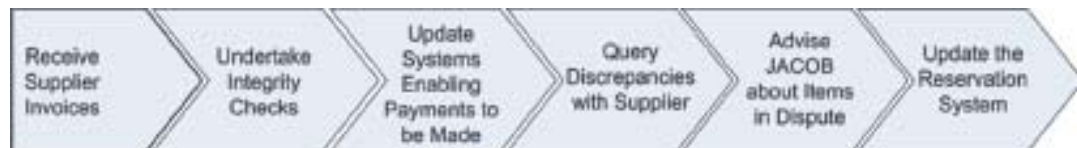
Issue

When Jac Travel turned to Open Destinations, their staff were wasting a great amount of time in resolving payment issues. In many cases this was due to the supplier submitting the invoice details incorrectly. This in turn led to invoice payments being delayed. An increasing number of ongoing disputes with suppliers were distracting management from more productive tasks. Supplier relationships were strained because of the level of late and incorrect payments.

Approach

Faced with these challenges, Open Destinations Outsourcing devised an approach that would firstly address the immediate payment issues, and secondly provide a customised process to ensure a smooth running payment facility.

An important aspect of this was the communication by Open Destinations with suppliers to ensure they submitted invoices in Jac Travel required format. In addition, any wrongly submitted invoices were returned to the supplier, placing the onus on them to provide correct information in order to receive prompt payments.



Result

The process was designed to ensure the work requirement for Jac Travel was minimised. Invoices received from suppliers were checked by Open Destinations to ensure they were received in the correct format, and that payment amounts were consistent with amounts in the Jac Travel reservation system. Discrepancies were queried with the supplier and monitored to ensure responses were received. Only a small number of items in dispute were then passed to Jac Travel so that a management decision could be made to resolve the issue. The process was documented in a Procedure Manual, which defined service levels and showed the reporting to be provided.

"Now that ODL Outsourcing manage our supplier invoice process, it has removed many headaches and allowed us to minimise administration and concentrate our resources on more productive tasks."

Richard Hill, Chief Financial Officer at Jac Travel